

No.

CR-08 00114

JW

Filed

FEB 27 2008

RS

E-FILING

UNITED STATES DISTRICT COURT

RICHARD W. WIEKING
CLERK U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE

NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

THE UNITED STATES OF AMERICA

vs.

SHERRY GEHRUNG

INDICTMENT

COUNT ONE:

18 U.S.C. §§ 1343 and 1346 - Wire Fraud

A true bill.

10
JW

Ramona Wells

Foreperson

Filed in open court this 27 day of February

A.D. 2008

Dahricia V. Mendez

United States Magistrate Judge

Bail. \$ NO bail arrest warrant

DOCUMENT NO.	CSA's INITIALS
<u>1</u>	<u>g</u>
DISTRICT COURT CRIMINAL CASE PROCESSING	

JOSEPH P. RUSSONIELLO (CASBN 44332)
United States Attorney

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RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

CR-08 00114

UNITED STATES OF AMERICA,

No.

Plaintiff,

VIOLATIONS: 18 U.S.C. §§ 1343 and 1346 -
Wire Fraud

v.

SHERRY GEHRUNG,

SAN JOSE VENUE

Defendant.

INDICTMENT

The Grand Jury charges:

Introduction

1. At all time relevant to this Indictment:

a. Sherry Gehrung was employed by Alza Corporation ("Alza") as an administrative assistant and worked in Alza's Mountain View, California facility.

b. Alza had its principal place of business at 1900 Charleston Road, Mountain View, California, within the Northern District of California. Alza is a pharmaceutical research and development company that is a wholly-owned subsidiary of Johnson & Johnson. Alza provided a corporate credit card to Gehrung for the purpose of paying for business-related travel and expenses for Gehrung and other employees.

INDICTMENT

1 c. American Express was the issuer of the corporate credit card Alza provided
 2 to Gehrung ("the Alza American Express Card"). When the Alza American Express card was used
 3 to buy goods and services in the Northern District of California, authorization information from the
 4 card and the transaction details were sent electronically in interstate commerce from the purchase
 5 location in California to American Express in Phoenix, Arizona.

6 The Scheme and Artifice to Defraud

7 2. Between no later than February 24, 2007, and continuing to on or about October 13,
 8 2007, Gehrung fraudulently charged a variety of personal expenses on the Alza American Express
 9 credit card, including, but not limited to, paying for a 1968 Ford Mustang and 1969 Chevrolet
 10 Camaro automobile, the restoration of those automobiles, cosmetic surgery, a Hawaii and Tahiti
 11 cruise vacation, a granite kitchen countertop, a residential air-conditioning unit, and American
 12 Express gift cards, knowing full well that she was not authorized to do so.

13
 14 COUNT ONE: (18 U.S.C. §§ 1343 & 1346 – Wire Fraud)

15 3. The factual allegations contained in paragraphs 1 and 2 are realleged and incorporated
 16 as if fully set forth here.

17 4. On or about and between February 24, 2007 and October 13, 2007, in the Northern
 18 District of California, and elsewhere, the defendant,

19 SHERRY GEHRUNG,

20 did devise and intend to devise a scheme and artifice to defraud Alza as to material matters, and to
 21 obtain money by means of materially false and fraudulent pretenses, representations, and promises,
 22 and to deprive Alza of its right to the honest services of its employees.

23 5. On September 25, 2007, within the Northern District of California, and elsewhere, the
 24 defendant, for the purpose of executing said scheme and artifice to defraud, did knowingly cause to
 25 be transmitted by means of wire communication in interstate commerce certain writings, signs,
 26 signals, and pictures, to wit, an authorization request to an American Express facility in Phoenix,
 27 Arizona, for a payment totaling \$6,100 to the Mustang Ranch, a car restoration business in Santa
 28 Clara, California. American Express authorized the transaction and sent this information

INDICTMENT

electronically in interstate commerce back to the Mustang Ranch;

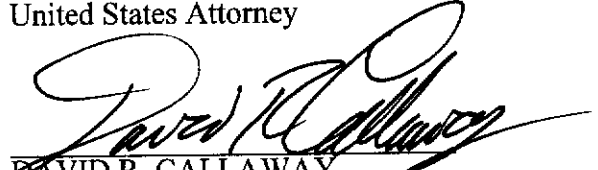
All in violation of Title 18, United States Code, Sections 1343 and 1346.


DATED: 2/27/08

A TRUE BILL


FOREPERSON

JOSEPH P. RUSSONIELLO
United States Attorney


DAVID R. CALLAWAY
Deputy Chief, San Jose Branch Office

(Approved as to form: 
AUSA Fazioli

INDICTMENT

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURTBY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☐ SUPERSEDING**OFFENSE CHARGED**

Count 1: 18 U.S.C. §§ 1343 and 1346 - Wire Fraud

E-FILING☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony**PENALTY:**

20 years imprisonment, \$1,000,000 fine, 3 years supervised release, Restitution, \$100 special assessment fee

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

U.S. Secret Service

☐ person is awaiting trial in another Federal or State Court, give name of court☐ this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:☐ U.S. Att'y ☐ Defense☐ this prosecution relates to a pending case involving this same defendant☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded underSHOW
DOCKET NO.MAGISTRATE
CASE NO.Name and Office of Person
Furnishing Information on
THIS FORM**JOSEPH P. RUSSONIELLO**☒ U.S. Att'y ☐ Other U.S. AgencyName of Asst. U.S. Att'y
(if assigned)**JOSEPH FAZIOLI**Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA

FEB 27 2008

DEFENDANT - U.S.

SHERRY GEHRUNG

RICHARD W. WIEKING

CLERK, U.S. DISTRICT COURT

DISTRICT COURT NUMBER NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE**CR-08 00114 JW****DEFENDANT****IS NOT IN CUSTODY**1) ☒ Has not been arrested, pending outcome this proceeding.
If not detained give date any prior summons was served on above charges2) ☐ Is a Fugitive3) ☐ Is on Bail or Release from (show District)**IS IN CUSTODY**4) ☐ On this charge5) ☐ On another conviction6) ☐ Awaiting trial on other charges☐ Fed'l ☐ State

If answer to (6) is "Yes", show name of institution

Has detainer
been filed?☐ Yes
☐ NoIf "Yes"
give date
filed**DATE OF
ARREST**

Month/Day/Year

Or... If Arresting Agency & Warrant were not

**DATE TRANSFERRED
TO U.S. CUSTODY**

Month/Day/Year

☐ This report amends AO 257 previously submitted**ADDITIONAL INFORMATION OR COMMENTS****PROCESS:**☐ SUMMONS ☐ NO PROCESS* ☒ WARRANT Bail Amount: NONE

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address:

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time:

Before Judge:

Comments: